

UNITED STATES BANKRUPTCY COURT

MOR-1

CASE NAME: Age Refining, Inc.
CASE NUMBER: 10-50501-lmc-11
PROPOSED PLAN DATE:

PETITION DATE: 02/08/10
DISTRICT OF TEXAS: Western
DIVISION: San Antonio

MONTHLY OPERATING REPORT SUMMARY FOR MONTH

	MONTH	February	March	YEAR	2010
REVENUES (MOR-6)		15,245,891.46	29,953,201.00	0.00	0.00
INCOME BEFORE INT. DEPREC./TAX (MOR-6)		-2,734,957.40	800,777.81	0.00	0.00
NET INCOME (LOSS) (MOR-6)		-3,573,293.08	-131,691.19	0.00	0.00
PAYMENTS TO INSIDERS (MOR-9)		36,444.14	47,656.74	0.00	0.00
PAYMENTS TO PROFESSIONALS (MOR-9)		581,133.00	544,760.67	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)		22,552,642.82	14,982,200.64	0.00	0.00

*** The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee***

REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE	YES	NO	EXP. DATE
CASUALTY	YES X	NO	04 / 30 / 2010
LIABILITY	YES X	NO	04 / 30 / 2010
VEHICLE	YES X	NO	04 / 30 / 2010
WORKER'S	YES X	NO	06 / 07 / 2010
OTHER	YES X	NO	04 / 30 / 2010

Are all accounts receivable being collected within terms? **CIRCLE ONE**
 Are all post-petition liabilities, including taxes, being paid within terms? **No**
 Have all tax returns and other required government filings been timely paid? **No**
 Have any pre-petition liabilities been paid? **Yes**
 If so, describe Various pre-petition amounts pursuant to orders approved by the Court **Yes**
 Are all funds received being deposited into Debtor in Possession bank accounts? **No**
 Were any assets disposed of outside the normal course of business? **Yes**
 If so, describe
 Are all U.S. Trustee Quarterly Fee Payments current? **Yes**
 What is the status of your Plan of Reorganization? **Plan filed 4/6/10**

ATTORNEY NAME: Carol E. Jendrzey
FIRM NAME: Cox Smith Matthews, Inc.
ADDRESS: 112 East Pecan Street, Suite 180

CITY, STATE, ZIP: San Antonio, TX 78205
TELEPHONE/FAX: 210-554-5500 / 210-226-8395

INITIALS _____
DATE _____
JUST USE ONLY

I certify under penalty of perjury that the following complete Monthly Operating Report (MOR), consisting of MOR-1 through MOR-9 plus attachments, is true and correct.
 SIGNED Lisa Trefger TITLE: Dir Business Administration and Regulatory Affairs
 ORIGINAL SIGNATURE
 Lisa Trefger
 (PRINT NAME OF SIGNATORY)
 DATE Revised 11/08/05

MOR-1

CASE NAME: Age Refining, Inc.
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COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE*	MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH
CURRENT ASSETS							
Cash	\$17,053,065	\$9,533,429	\$15,464,429				
Accounts Receivable, Net	\$13,655,093	\$2,314,089	\$12,554,266				
Inventory: Lower of Cost or Market	\$7,933,226	\$6,562,184	\$10,324,160				
Prepaid Expenses	\$692,740	\$667,590	\$494,522				
Investments	\$0	\$0	\$0				
Other	\$3,036,913	\$3,402,307	\$4,375,194				
TOTAL CURRENT ASSETS	\$42,371,038	\$22,479,598	\$43,212,571	\$0	\$0	\$0	\$0
PROPERTY, PLANT & EQUIP. @ COST	\$103,518,975	\$103,570,453	\$103,587,524				
Less Accumulated Depreciation	\$11,754,019	\$12,099,925	\$12,559,653				
NET BOOK VALUE OF PP & E	\$91,764,955	\$91,470,528	\$91,027,871	\$0	\$0	\$0	\$0
OTHER ASSETS							
1. Deposits and Other L-T Assets	\$626,406	\$1,771,775	\$2,399,844				
2. Advances to Stockholders	\$17,630	\$17,630	\$17,630				
3.							
4.							
TOTAL ASSETS	\$134,780,029	\$115,739,531	\$136,657,916	\$0	\$0	\$0	\$0

* Differs slightly from Schedules and Statement of Affairs due to cash balance sources (bank balance versus general ledger balance)

MOR-2

Revised 11/08/05

CASE NAME: Age Refining, Inc.
CASE NUMBER: 10-50501-lmc-11

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE*	MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH
LIABILITIES	2/8/10						
POST-PETITION LIABILITIES(MOR-4)		\$3,726,688	\$29,076,276	\$0	\$0	\$0	\$0
PRE-PETITION LIABILITIES							
Notes Payable - Secured	\$39,688,889	\$39,688,889	\$39,688,889				
Priority Debt	\$1,670,035	\$1,279,321	\$1,286,184				
Federal Income Tax	\$0	\$0	\$0				
FICA/Withholding	-\$6	\$0	-\$6				
Unsecured Debt	\$36,520,713	\$17,343,305	\$13,036,715				
Other	\$0						
TOTAL PRE-PETITION LIABILITIES	\$77,879,631	\$58,311,515	\$54,011,783	\$0	\$0	\$0	\$0
TOTAL LIABILITIES	\$77,879,631	\$62,038,203	\$83,088,058	\$0	\$0	\$0	\$0
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK	\$0	\$0	\$0				
COMMON STOCK	\$19,607	\$19,607	\$19,607				
ADDITIONAL PAID-IN CAPITAL	-\$57,894,897	-\$57,894,897	-\$57,891,717				
RETAINED EARNINGS: Filing Date	\$114,775,687	\$114,775,687	\$114,775,687				
RETAINED EARNINGS: Post Filing Date		-\$3,199,070	-\$3,333,719				
TOTAL OWNER'S EQUITY (NET WORTH)	\$56,900,397	\$53,701,327	\$53,569,858	\$0	\$0	\$0	\$0
TOTAL LIABILITIES & OWNERS EQUITY	\$134,780,029	\$115,739,531	\$136,657,916	\$0	\$0	\$0	\$0

* Differs slightly from Schedules and Statement of Affairs

Note:MOR-6 is for the full month of February

MOR-3

Revised 11/08/05

CASE NAME: Age Refining, Inc.
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SCHEDULE OF POST-PETITION LIABILITIES

	MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH
TRADE ACCOUNTS PAYABLE		20,307,274.29				
TAX PAYABLE						
Federal Payroll Taxes	54,413.25	1,141.10				
State Payroll Taxes	3,119.01	4,713.12				
Ad Valorem Taxes	179,612.28	98,714.56				
Other Taxes	-7,617.51	285,484.84				
TOTAL TAXES PAYABLE	229,527.03	390,053.62	0.00	0.00	0.00	0.00
SECURED DEBT POST-PETITION	0.00	0.00				
ACCRUED INTEREST PAYABLE	382,737.67	801,710.36				
ACCRUED PROFESSIONAL FEES*	0.00	0.00				
OTHER ACCRUED LIABILITIES						
1. PROFESSIONAL, ENVIRONMENTAL, MISC	2,786,253.37	7,577,237.47				
2. OTHER PROCESSING COSTS	25,409.39					
3. OTHER G&A	302,760.15					
TOTAL POST-PETITION LIABILITIES (MOR-3)	\$3,726,687.61	\$29,076,275.74	\$0.00	\$0.00	\$0.00	\$0.00

*Payment requires Court Approval

MOR-4

Revised 11/08/05

CASE NAME: Age Refining, Inc.
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AGING OF POST-PETITION LIABILITIES

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	MONTH		STATE TAXES	AD VALOREM, OTHER TAXES
				March	March		
0-30	20,697,327.91	20,307,274.29	-19,458.29			310,797.35	98,714.56
31-60	0.00						
61-90	0.00						
91+	0.00						
TOTAL	\$20,697,327.91	\$20,307,274.29	(\$19,458.29)			\$310,797.35	\$98,714.56
							\$0.00

AGING OF ACCOUNTS RECEIVABLE

MONTH	February	March					
0-30 DAYS	1,106,565.04	11,490,229.96					
31-60 DAYS	260,463.96	430,223.45					
61-90 DAYS	23,523.66	178,694.70					
91+ DAYS	1,325,433.26	862,015.50					
TOTAL	\$2,715,985.92	\$12,961,163.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

MOR-5

Note: excludes bad debt expense accrual

Revised 11/08/05

CASE NAME: Age Refining, Inc.
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STATEMENT OF INCOME (LOSS)

	MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	FILING TO DATE
REVENUES (MOR-1)	15,245,691	29,953,201							45,198,892
TOTAL COST OF REVENUES	15,641,716	27,634,198							43,275,914
GROSS PROFIT	-396,025	2,319,003	0	0	0	0	0	0	1,922,979
OPERATING EXPENSES:									
Selling & Marketing	0	0							0
General & Administrative	658,169	757,982							1,416,151
Insiders Compensation	36,444	47,657							84,101
Professional Fees	581,133	544,761							1,125,894
Other	1,063,187	167,826							1,231,013
TOTAL OPERATING EXPENSES	2,338,933	1,518,225	0	0	0	0	0	0	3,857,158
INCOME BEFORE INT, DEPR/TAX (MOR-1)	-2,734,957	800,778	0	0	0	0	0	0	-1,934,180
INTEREST EXPENSE	316,127	433,310							749,437
DEPRECIATION	522,209	520,637							1,042,846
OTHER (INCOME) EXPENSE*	0	-21,478							-21,478
OTHER ITEMS**	0	0							0
TOTAL INT, DEPR & OTHER ITEMS	838,336	932,469	0	0	0	0	0	0	1,770,805
NET INCOME BEFORE TAXES	-3,573,293	-131,691	0	0	0	0	0	0	-3,704,984
FEDERAL INCOME TAXES	0	0							0
NET INCOME (LOSS) (MOR-1)	-3,573,293	-131,691	0	0	0	0	0	0	-3,704,984

Accrual Accounting Required. Otherwise Footnote with Explanation.

* Footnote Mandatory.

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

MOR-6

Revised 11/05/05

CASE NAME: Age Refining, Inc.
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CASH RECEIPTS AND DISBURSEMENTS		MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH	FILING TO DATE
1. CASH-BEGINNING OF MONTH		\$9,446,002	\$9,533,429	\$15,464,429	\$15,464,429	\$15,464,429	\$15,464,429	\$9,446,002
RECEIPTS:								
2. CASH SALES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3. COLLECTION OF ACCOUNTS RECEIVABLE		\$22,640,070	\$20,913,201	\$0	\$0	\$0	\$0	\$43,553,271
4. LOANS & ADVANCES (attach list)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5. SALE OF ASSETS		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6. OTHER (attach list)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL RECEIPTS**		\$22,640,070	\$20,913,201	\$0	\$0	\$0	\$0	\$43,553,271
(Withdrawal) Contribution by Individual Debtor MFR-2*								\$0
DISBURSEMENTS:								
7. NET PAYROLL		\$296,832	342,915.96	\$0	\$0	\$0	\$0	\$639,748
8. PAYROLL TAXES PAID		\$123,483	168,279.62	\$0	\$0	\$0	\$0	\$291,763
9. SALES, USE & OTHER TAXES PAID		\$411,035	138,650.09	\$0	\$0	\$0	\$0	\$549,685
10. SECURED/RENTAL/LEASES		\$0	48,260.98	\$0	\$0	\$0	\$0	\$48,261
11. UTILITIES & TELEPHONE		\$0	106,002.10	\$0	\$0	\$0	\$0	\$106,002
12. INSURANCE		\$11,844	\$0	\$0	\$0	\$0	\$0	\$11,844
13. INVENTORY PURCHASES/COGS		\$19,636,792	13,442,949.55	\$0	\$0	\$0	\$0	\$33,079,742
14. VEHICLE EXPENSES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15. TRAVEL & ENTERTAINMENT		\$0	3,998.71	\$0	\$0	\$0	\$0	\$3,999
16. REPAIRS, MAINTENANCE & SUPPLIES		\$336,386	521,379.86	\$0	\$0	\$0	\$0	\$857,766
17. ADMINISTRATIVE & SELLING		\$14,800	\$5,974	\$0	\$0	\$0	\$0	\$20,773
18. ADEQUATE PROTECTION PAYMENT(S)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
19. INTEREST/BANK FEES		\$1,140,338	10,907.05	\$0	\$0	\$0	\$0	\$1,151,245
TOTAL DISBURSEMENTS FROM OPERATIONS		\$21,971,510	\$14,789,318	\$0	\$0	\$0	\$0	\$36,760,828
20. PROFESSIONAL FEES		\$581,133	192,882.98	\$0	\$0	\$0	\$0	\$774,016
21. U.S. TRUSTEE FEES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
22. OTHER REORGANIZATION EXPENSES (attach list)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL DISBURSEMENTS**		\$22,552,643	\$14,982,201	\$0	\$0	\$0	\$0	\$37,534,843
23. NET CASH FLOW		\$87,427	\$5,931,001	\$0	\$0	\$0	\$0	\$6,018,428
24. CASH - END OF MONTH (MOR-2)		\$9,533,429	\$15,464,429	\$15,464,429	\$15,464,429	\$15,464,429	\$15,464,429	\$15,464,429

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

MOR-7

Revised 11/08/05

CASE NAME: Age Refining, Inc.
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CASH ACCOUNT RECONCILIATION
MONTH OF March

BANK NAME	JPMorgan Chase # 707739066	JPMorgan Chase # 707739090 - 707739108	#	Petty Cash Office	Petty Cash Refinery	TOTAL
ACCOUNT TYPE	OPERATING/PAYROLL	COLLECTION/LOCKBOX				
BANK BALANCE	\$273,568	\$15,528,900		\$0	\$0	\$15,802,468
DEPOSITS IN TRANSIT	\$0	\$0		\$0	\$0	\$0
OUTSTANDING CHECKS	\$340,039	\$0		\$0	\$0	\$340,039
ADJUSTED BANK BALANCE	-\$66,471	\$15,528,900		\$0	\$0	\$15,462,429
BEGINNING CASH - PER BOOKS	\$1,204,174	\$8,327,255		\$1,000	\$1,000	\$9,533,429
RECEIPTS*	\$30,098	\$20,979,919		\$0	\$0	\$21,010,017
TRANSFERS BETWEEN ACCOUNTS (WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2	\$13,705,111	-\$13,705,111		\$0	\$0	\$0
CHECKS/OTHER DISBURSEMENTS*	\$15,005,854	\$0		\$0	\$0	\$0
ENDING CASH - PER BOOKS	-\$66,470	\$73,163		\$0	\$0	\$15,079,017
		\$15,528,900		\$1,000	\$1,000	\$15,464,429

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*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

Revised 11/08/05

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PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	MONTH February	MONTH March	MONTH	MONTH	MONTH	MONTH
1. Glen Gonzalez / Salary and Expense Reimbursement	\$12,186	\$21,827				
2. Lisa Trefger / Salary and Expense Reimbursement	\$8,469	\$8,731				
3. Philip Goodman / Salary and Expense Reimbursement	\$9,480	\$9,479				
4. Cindy Campbell / Salary and Expense Reimbursement	\$6,308	\$7,620				
5.						
6.						
TOTAL INSIDERS (MOR-1)	\$36,444	\$47,657	\$0	\$0	\$0	\$0
PROFESSIONALS						
1. Cox, Smith Matthews Inc (retainer)	\$250,000					
2. FTI Consulting	\$250,000	\$243,916				
3. Fullbright & Jaworski LLP		\$113,221				
4. Vinson & Elkins LLP		\$75,205				
5. Other	\$81,133	\$112,419				
6.						
TOTAL PROFESSIONALS (MOR-1)	\$581,133	\$544,761	\$0	\$0	\$0	\$0

MOR-9

Revised 11/08/05